



CITY OF DURHAM | DURHAM COUNTY  
NORTH CAROLINA



**Date:** February 18, 2013

**To:** Thomas J. Bonfield, City Manager

**Through:** Keith Chadwell, Deputy City Manager

**From:** Steven L. Medlin, AICP, Planning Director

**Subject:** Coordinated Annexation Agenda Item for Montclair

**Executive Summary.** A request for utility extension agreement (EA), voluntary annexation, comprehensive plan amendment, and initial zoning map change has been received from Weekly Homes for the Montclair development. The site is located on the south side of Barbee Chapel Road, west of Farrington Mill Road (please see Attachment 1A for a project area context map).

The applicant in this case has requested an initial zoning designation of Planned Development Residential 2.870 (PDR 2.870) and Rural Residential with a development plan RR(D), which would allow up to 53 single-family houses. An associated Plan Amendment from Very Low Density Residential (2 DU/Ac. or less) to Low Density Residential (4 DU/Ac. or less) has also been requested. The current County zoning (RR – County jurisdiction) would allow approximately 19 single-family houses on well and septic systems.

Staff recommends denial of the zoning map change to PDR 2.87 and RR(D) due to the fact that the proposed density of 2.87 units per acre exceeds the density recommended by the Durham Comprehensive Plan's Future Land Use Map (FLUM). Please note, however, that utility service is adequate to serve the proposed development, and the fiscal analysis indicates that revenues to the City would exceed expenditures. Additionally, residential densities at or below 2.00 dwelling units per acre may not be financially viable to be established on City water and sewer utilities based on current land values and market conditions.

This memorandum provides a coordinated agenda item for the above-referenced requests, pursuant to the coordinated annexation policy adopted by Council October 15, 2012.

Four separate motions from Council are required by law to approve the EA, voluntary annexation petition, comprehensive plan amendment, and initial zoning map change.

**Alternatives and Recommendation.** Council has two alternatives:

Alternative 1) **Recommended Alternative:** Deny the EA and voluntary annexation petition. No action on the comprehensive plan amendment, or initial zoning map change would be required or authorized if the annexation is denied.

Alternative 2) Approve the EA, voluntary annexation petition, comprehensive plan amendment and initial zoning map change, allowing a requested maximum of 53 single family homes.

**Issues and Analysis.** This request involves four separate items: utility extension agreement, voluntary annexation, comprehensive plan amendment, and initial zoning map change. Each item will be reviewed below:

Utility Extension Agreement

The Departments of Public Works and Water Management have conducted a Utility Impact Analysis for the project referenced above. Based on the best available information, we find:

1. There is adequate existing public water utility capacity to accommodate the proposed development. Based on data provided by recent a fire flow test, the existing water system provides flows of approximately 4,900 GPM at 20 psi. The subdivision will be required to provide 1500 GPM at 20 psi per the Reference Guide for Development. Based on the proposed use and the existing water system data there is adequate existing public water utility capacity to accommodate the proposed development.
2. A regional pump station will be constructed with proposed on and offsite force mains to pump the sanitary sewer of the proposed development to an existing downstream lift station. Per verification from Water Management the existing public sanitary sewer system lift station has capacity to accommodate the proposed development.
3. The proposed utility improvements are the minimum necessary to accommodate the proposed development. The water service will be provided by tying into the existing water mains in Barbee Chapel Road and/or the existing water main in Farrington Road. A regional pump station will be provided with this development which will pump the sanitary sewer of this proposed development to the existing downstream lift station.
4. Public Works is not requesting additional system capacity and/or components for the water or sanitary sewer system as the existing public infrastructure has sufficient capacity to accommodate the proposed development.
5. The utility system improvements proposed in the EA are consistent with the future land use map (FLUM) designation in the Comprehensive Plan if the requested modification to the comprehensive plan is approved. The future land uses for the surrounding service areas are residential. Based on the availability and capacity of existing water system the proposed water main extensions for this proposed development are consistent with the requested amendments to the FLUM. The proposed sanitary improvements of this development are consistent with the requested amendments to the FLUM.
6. The operating and maintenance costs of the proposed infrastructure are included in Attachment 2B.

Voluntary Annexation Petition

The Administration is requesting the Council conduct a public hearing and consider annexation of the subject property with an effective date of March 31, 2013. The public hearing will be

held in compliance with N.C. General Statute 160A-58.2. Annexation would require the provision of City services to the subject property.

#### Plan Amendment

The proposed plan amendment would change the Future Land Use Map designation of the Comprehensive Plan from Very Low Density Residential (2 DU/Ac. or Less) to Low Density Residential (4 DU/Ac. or less). Staff is recommending denial of the plan amendment for its inconsistency with adopted policies and incompatibility with the adopted land use pattern in the area. On December 11, 2012 the Planning Commission recommended approval by a vote of 9-4. Please see the plan amendment staff report (Attachment 4A) for more information.

#### Zoning Map Change

The applicant is requesting an initial zoning map change from RR to PDR 2.870 for 53 single family homes. Staff has determined that the requested zoning is not consistent with adopted City policies. On December 11, 2012 the Planning Commission recommended approval by a vote of 10-3. Please see the zoning map change staff report (Attachment 5A) for more information.

#### Financial Impact

The estimated annual General Fund revenues generated from this annexation area under the initial zoning map change at build out in FY2014-15 is \$174,223. The estimated annual General Fund expenditures associated with providing City services at build out is \$48,097. The estimated annual General Fund net gain to the City at build out is \$126,126. The cumulative estimated General Fund net gain to the City at build out is \$319,559.

CIP expenses are projected to be realized in FY2014-15. This includes an estimated proportional cost of \$24,893 (0.49%) for a new Fire Station, with a total cost of a new Fire Station estimated at \$5,150,000.

A cost-benefit analysis is attached (see Attachment 3D) that provides cost and revenue projections through FY2023-24, including CIP expenses.

The chart below contains additional details regarding projected departmental revenue and expense projections.

Memorandum  
Montclair

Department	Revenues	Expenses
Fire	N/A: Inspection fees apply to commercial development. This annexation petition is for residential development only.	Fire Station (CIP), vehicles & one-time upfit, equipment, firefighters and ongoing operations. The development site would comprise 0.49% of the service area; costs are prorated at this percentage.  Estimated operating costs at build out: \$9,386  Estimated capital and one-time costs at build out: \$7,489  Estimated CIP costs: \$24,983
Inspections	Impact Fees: Open Space, Street, Parks and Recreation Capital Facilities.  Total estimated impact fees: \$108,756	Net Zero: Assumes inspection revenues will cover cost of inspections.
Planning	Site plan review and plat review fee.  FY13 one-time revenue: \$6,450	N/A: Site plan and plat can be reviewed and processed without additional resources.
Police	N/A: There are no Police related revenues anticipated.	Personnel and operating costs: Allocation based on maintaining existing ratio of staff per population and square miles.  Estimated operating costs at build out: \$25,391
Public Works	Fees & reimbursements, less inspections and development review.  Estimated revenue at build out: \$565	Cost allocation for street maintenance, fuel, disposables, etc. for added street mileage.  Estimated operating costs at build-out: \$1,525
Solid Waste	Revenue from collected recyclables and yard waste subscriber fees.  Estimated revenue at build out: \$1,824	Residential waste disposal, yard waste disposal and fuel.  Estimated operating costs at build out: \$1,977
Transportation	Revenue from paratransit service and Powell Bill reimbursement for signage and pavement marking maintenance.  Estimated revenue at build out: \$110	Cost of signage and street marker maintenance, paratransit service and thoroughfare streetlights.  Estimated operating costs at build out: \$1,270  Additional estimated cost of streetlights starting in FY18: \$3,631

The Department of Water Management has estimated life-cycle costs (see Attachment 2B) for this annexation area. The department sets rates and fees to recover operational costs and to provide for current and future infrastructure needs. In summary, it is estimated that 65% of water and sewer revenues generated from this annexation would support ongoing operational costs and 35% of revenues would be dedicated to capital improvement projects to address future infrastructure needs.

**SDBE Summary.** This item has no known SDBE impact.

**Attachments**

Attachment 1A: DELETED  
Attachment 1B: DELETED

**Utility Extension Agreement Documents**

Attachment 2A: Utility Extension Agreement  
Attachment 2B: Estimated Utility Life Cycle Costs

**Annexation Documents**

Attachment 3A: Annexation Ordinance  
Attachment 3B: Clerk Certification  
Attachment 3C: Legal Description  
Attachment 3D: Cost / Benefit Analysis

**Plan Amendment Documents**

Attachment 4A: Comprehensive Plan Amendment Report  
Attachment 4B: DELETED  
Attachment 4C: DELETED  
Attachment 4D: Applicant's Comprehensive Plan Amendment Justification Statement  
Attachment 4E: Planning Commission's Written Comments – Comprehensive Plan Amendment  
Attachment 4F: Comprehensive Plan Amendment Resolution

**Initial Zoning Map Change Documents**

Attachment 5A: Zoning Map Change Report  
Attachment 5B: DELETED  
Attachment 5C: Development Plan Reduction  
Attachment 5D: Durham Bicycle and Pedestrian Commission Memorandum  
Attachment 5E: Zoning Map Change Submittal and Review History  
Attachment 5F: Planning Commissions' Written Comments – Zoning Map Change  
Attachment 5G: Zoning Map Change Ordinance  
Attachment 5H: Aerial Photography  
Attachment 5I: Context Map  
Attachment 5J: Utility Map